



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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May 16, 2000

Lyndon Jones
Cargill Salt
15100 West Rowley Road
P.O. Box 648
Grantsville, Utah 84029

Re: Tentative Approval of Notice of Intention to Commence Large Mining Operations, Cargill Mining Company, Timpie Solar Ponds, M/045/030, Tooele County, Utah

Dear Mr. Jones:

The Division has completed a third review of your Notice of Intention to Commence Large Mining Operations for the Timpie Solar Ponds, located in Tooele County, Utah, which was received in various parts February 29th, Mar 14th, and Mar 23rd of 2000. This response was to address the Division's review comments found in our review letter of October 2, 1998. On August 19, 1999 we held a meeting to discuss the remaining permitting requirements to complete Cargill's approval of a Large Mining Operation. This meeting helped explain the Division's needs.

The Division has revised the reclamation cost estimate using the information provided in this latest submission. Most of the unit costs in the 1998 draft estimate and escalation rate have also been updated in this revised estimate (copy attached). The amount of reclamation surety estimated by the Division for the Timpie Solar Ponds operation is \$1,919,000 in year 2005 dollars. Please review this estimate for accuracy. We currently hold a \$109,500 surety. You may have your surety company issue a rider for the new amount, or if you choose to post another type of surety please inform us so we can provide you with the correct form.

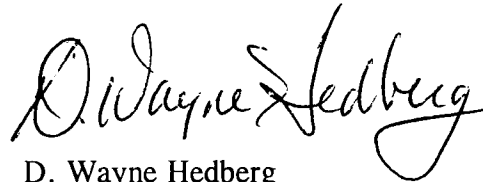
Your response has addressed all our technical deficiencies. We will now prepare to publish a formal notice of tentative approval for this project in the local and Salt Lake area newspapers. When published, this action will begin a 30-day public comment period. If no adverse comments are received during the comment period, we will be prepared to issue final approval for this project. A complete reclamation contract agreement (FORM MR-RC) and final reclamation surety amount must be received before we can grant final approval. Please

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provide the MR-RC in a "draft" form so we can check it for completeness and accuracy before it is finalized. If you post a different form of surety other than a rider, we also request that you provide the surety in a "draft" form for our review before finalizing.

If you have any questions regarding this letter please contact me, Tony Gallegos, or Tom Munson of the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is written in a cursive, flowing style with a large, prominent "D" and "H".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Reclamation Surety Estimate 4/28/00, MR-RC
cc: Cheryl Martinez, BLM, Salt Lake FO
John Blake, SITLA
M45-30-rvw

1	RECLAMATION SURETY ESTIMATE	last revision	28-Apr-2000		
2	Cargill Salt Division				
3	Timpie Solar Ponds			page "ESTIMATE"	
4	M/045/030	Tooele County		filename m45-30.wb2	
5	Prepared by Utah State Division of Oil, Gas & Mining				
6	-North dike(s) to remain to protect I-80 from flooding - POSTMINE USE.				
7	-Dikes protecting Timpie Waterfowl Area to remain in place - POSTMINE USE.				
8	-All other dikes will be allowed to erode naturally without regrading.				
9	-All wooden gates in dikes to be left open & allowed to erode naturally.				
10	-Two concrete gates in the dike system to be removed.				
11	-PLOT A: vehicle maintenance bldg, parking area, fuel storage & utility lines removed/reclaimed			3.20 acres	
12	-PLOT B: warehouse, offices, outside & bag storage, scale, pump station & RR spur removed/reclaime			11.61 acres	
13	-PLOT C: stacker conveyor, N & S salt stockpiles, ramp & roads removed/reclaimed			29.64 acres	
14	-PLOT D: salt washing plant, ramp & roads removed/reclaimed			4.80 acres	
15	-PLOT F: ramp & roads removed/reclaimed			1.60 acres	
16	-PLOT E: UP&L Substation reclamation is NOT the responsibility of Cargill(0.964 acres)			0.00 acres	
17	-Disturbed acreage for facilities site ONLY (does not include pond system & dikes) =			50.85 acres	
18	-ASSUME soil needed from borrow site B to cover Plot C & F with 12" =	31.24 acre			
19	-Volume of topoil needed from borrow site B (12" cover) =	50,401 CY			
20	-ASSUME soil at borrow areas is 24" deep, then borrow acreage needed =			12.6 acres	
21	-Total disturbance to be reclaimed (facilities site + borrow area) =			63.45 acres	
22	-Most man hrs, equipment hrs, & quantities are based on Cargill's figures; unit costs have been updated by the Division.				
23	-Refer to Salt Washing Pland & Related Facilities map received 3/14/00 for "PLOT" descriptions.				
24	-Estimated total disturbed area for this mine =			63.5 acres	
25	<u>Activity</u>	<u>Quantity</u>	<u>Units</u>	<u>\$/unit</u>	<u>\$</u>
26					<u>Note</u>
27	open all gates	24 gates		77	1,848 (1)
28	remove concrete gates	2 gates		2,760	5,520 (2)
29	demo/remove wash plant - Plot D	1 sum		36,446	36,446 (3)
30	demo/remove stacker, conveyor, rail & pipeline	1 sum		40,348	40,348 (4)
31	rip & remove salt stockpiles in Plot C	1 sum		55,628	55,628 (5)
32					
33	Regrade features in Plot F	1.6 acre		338	541 (6)
34					
35	Demolition of buildings & facilities - Plot A & B	1,296,000 CF		0.24	311,040 (7)
36	Debris & equipment removal - trucking	500 trips		40	20,000 (8)
37	Debris & equipment removal - dump fees	20,000 CY		9	180,000 (9)
38	Debris & equipment removal - FE loader	6.5 wks		5,520	35,880 (10)
39	Demolition & debris removal - general labor	10,000 hours		15	150,000 (11)
40	Regrading facilities areas - 50% of (Plot A + B)	7.4 acre		338	2,503 (6)
41					
42	Topsoil replacement - truck haulage, 7mi one-way	50,401 CY		11.55	582,126 (12)
43	Topsoil replacement - FE loader	50,401 CY		0.46	23,184 (13)
44	Topsoil regrading/spreading - dozer	50,401 CY		0.33	16,632 (6)
45					
46	Drill seeding (~13 lb/acre) - all facilities reclaimed area	50.9 acre		170	8,645 (00)
47	Drill seeding (~13 lb/acre) - borrow area	12.6 acre		170	2,142 (00)
48					
49	General site cleanup & trash removal - 50% facilites area	25.4 acre		50	1,271 (01)
50					
51	Equipment mobilization(FE loader, dozer, crane, 3 trucks)	6 equip		1,000	6,000 (02)
52					
53	Reclamation Supervision	8 weeks		1,930	15,440 (14)
54		Subtotal			1,495,194
55	10% Contingency				149,519
56		Subtotal			\$1,644,713
57	Escalate for 5 years at 3.13% per yr				274,023
58		Total			\$1,918,736
59		Rounded surety amount in yr 2005-\$			\$1,919,000
60	Average cost per disturbed acre =		\$30,244		

RECLAMATION SURETY ESTIMATE Cargill Salt Division Timpie Solar Ponds M/045/030 Prepared by Utah State Division of Oil, Gas & Mining		last revision 28-Apr-2000 page "ESTIMATE" filename m45-30.wb2
Tooele County		
Note		
(1)	1 laborer, 1 truck, 40 hrs; \$35/hr (Means 2000 crewA-1) + \$11.19/hr (Blue Book 2Q2000, 20-6, 4x4 3/4 ton); \$1,848/24 = \$77/gate	
(2)	1 week FE loader w/operator @\$5,520/wk (Means 2000 crew B10-U & Blue Book 3Q99))	
(3)	3 laborers+ truck+FE loader, 120 hrs; [(120/3)/(\$35/hr)+(3)/(\$367/wk)+(3)/(\$5,520/wk)] + crane (1wk)/(\$6,185/wk), Blue Book 4Q99, 13-5, Grove RT750 4x4x4, 110 ft boom, 170hp	
(4)	3 laborers+FE loader w/operator truck, 4 wks; (3)(4wks)/(\$1,400/wk) + (4wks)/(\$5,520/wk) + (4wks)/(\$367/wk)	
(5)	2 laborers+ FE loader w/operator +D9N dozer w/oper, 4 wks; (2)(4wks)/(\$1,400/wk) +(4wks)/(\$5,520/wk) +Cat D9N dozer w/oper, Means 1999, Blue Book 3Q99, (4wks)/(\$5,587/wk)	
(6)	Means 2000 & Rental Rate Blue Book 3Q99: Cat D9N, U-blade, mtl 2550 lb/CY, 50 ft push, 1 ft depth	
(7)	Cargill's quantity; Means Heavy Construction Cost Data 2000, 02220-100-0100, mixture of bldg. types, avg, excluding dump fees	
(8)	Cargill's quantity; Means 2000, 02225-730-5100, \$0.50/CY/mile for >8CY truck; assumed 80 miles round trip	
(9)	Cargill's quantity; Means 2000, 02225-740-0100, bldg construction mtl, \$55/ton, Assume 6CY/ton =>\$9/CY	
(10)	Cargill's quantity (250 hrs); Rental Rate Blue Book 3Q99, Cat 988B, 7CY, & Means 2000, Crew B-10U	
(11)	Cargill's quantity; DOGM assumed wage for unskilled general labor	
(6)	Means 2000 & Rental Rate Blue Book 3Q99: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth	
(12)	DOGM unit costs; Means 2000, 02320-200-1255: hauling excavated or borrow material, 20 CY dump trailer, 20 mile round trip, no loading included = \$11.55/CY	
(13)	DOGM rough estimate using 988 wheel loader = \$0.46/CY	
(6)	Means 2000 & Rental Rate Blue Book 3Q99: Cat D9N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth	
(00)	DOGM general estimate - drill seeding	
(00)	DOGM general estimate - drill seeding	
(01)	DOGM general estimate - site cleanup & trash removal	
(02)	DOGM general estimate - equipment mobilization	
(14)	Means 2000, 01300-700-0180, project manager, minimum \$1930/wk	